



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2012 REGULAR SESSION

HOUSE BILL NO. 358

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The following bill was reported to the Senate from the House and ordered to be printed.

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ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY Kim Perry

AN ACT relating to mechanical systems.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. KRS 236.010 is amended to read as follows:

As used in this chapter:

(1) "Boiler" or "boilers" means and includes a closed vessel in which water or other liquid is heated, steam or vapor is generated, steam is superheated, or in which any combination of these functions is accomplished, under pressure or vacuum, for use externally to itself, by the direct application of energy from the combustion of fuels, or from electricity, solar or nuclear energy. The term "boiler" shall include fired units for heating or vaporizing liquids other than water where these units are separate from processing systems and are complete within themselves:

(a) "Power boiler" means a boiler in which steam or other vapor is generated at a pressure of more than fifteen (15) pounds per square inch gauge;

(b) "High pressure, high temperature water boiler" means a water boiler operating at pressures exceeding one hundred sixty (160) pounds per square inch gauge or temperatures exceeding two hundred fifty (250) degrees Fahrenheit;~~and~~

(c) "Heating boiler" means a steam or vapor boiler operating at pressures not exceeding fifteen (15) pounds per square inch gauge or a hot water boiler operating at pressures not exceeding one hundred sixty (160) pounds per square inch gauge or temperatures not exceeding two hundred fifty (250) degrees Fahrenheit; and

(d) "Portable boiler" means a boiler which is primarily intended for a temporary location, construction and usage of which allows the boiler to be readily removed from one location to another.

(2) "Pressure vessel" means a vessel in which the pressure is obtained from an external source or by the application of heat other than those vessels defined in subsection (1) of this section.

- 1 (3) "Commissioner" means the commissioner of housing, buildings and construction.
- 2 (4) "Department" means the Department of Housing, Buildings and Construction.
- 3 (5) "ASME" means American Society of Mechanical Engineers.
- 4 (6) "Board" means Board of Boiler and Pressure Vessel Rules.
- 5 (7) "Certificate inspection" means an inspection, the report of which is used by the
6 chief boiler inspector to determine whether or not a certificate, as provided by
7 subsection (1) of KRS 236.120, may be issued.
- 8 (8) "Rule" or "regulation" means a general regulation adopted by the commissioner
9 upon advisement of the board and filed and approved in accordance with KRS
10 Chapter 13A designed to insure the safety of boilers and pressure vessels that
11 affects or may affect property rights of a designated class of owners, or designed for
12 the prevention of loss or damage to property, loss of life, or personal injury from
13 boiler or pressure vessel explosion or from certain indicated hazards related thereto.
- 14 (9) "Order" or "emergency order" means an order of the department, chief boiler
15 inspector, or boiler inspector issued in accordance with this chapter for the
16 prevention of:
17 (a) Loss or damage to property;
18 (b) Loss of life from boiler or pressure vessel malfunction or explosion; or
19 (c) Personal injury from boiler or pressure vessel malfunction or
20 explosion~~["Order" or "summary order" means an order of the state fire~~
21 ~~marshal, the chief boiler inspector, or a boiler inspector, made in accordance~~
22 ~~with this chapter or KRS Chapter 227 and designed for the prevention of loss~~
23 ~~or damage to property, loss of life, or personal injury from boiler or pressure~~
24 ~~vessel malfunction or explosion, that affects or may affect the property rights~~
25 ~~of a particular owner of designated property].~~
- 26 (10) "Division" means the Division of Plumbing in the department.
- 27 (11) "Qualified welder" means a welder or welding machine operator who has

1 successfully passed the tests required by the appropriate ~~[Section IX of the]~~ ASME
 2 boiler, pressure vessel, or piping code.

3 (12) "Person" or "firm" means any individual, firm, partnership, or corporation.

4 (13) "Chief boiler inspector" means the person employed by the department who shall
 5 serve as the boiler section supervisor within the Division of Plumbing.

6 (14) "Boiler inspector" means a duly authorized employee of the Department of
 7 Housing, Buildings and Construction who is charged with the responsibility of
 8 inspecting boilers and pressure vessels and with the enforcement of the state
 9 boiler laws.

10 (15) "Special boiler inspector" means any person employed by an insurance company
 11 authorized to insure boilers and pressure vessels in the Commonwealth and who
 12 holds a commission as provided in Section 8 of this Act. This term shall apply to
 13 both in-service inspectors and authorized inspectors of repairs, alterations, and
 14 shop work.

15 (16) "Domestic water" means potable water delivered by a piping system for personal
 16 use or consumption.

17 (17) "Potable water" means water free from impurities present in amounts sufficient
 18 to cause disease or harmful physiological effects and conforming in its
 19 bacteriological and chemical quality to the requirements of the Division of Water
 20 or the administrative regulations of the Department of Housing, Buildings and
 21 Construction.

22 (18) "Cryogenic service" means a fluid held under pressure and having a boiling
 23 point below one hundred degrees below zero (-100) Fahrenheit at one (1)
 24 atmospheric pressure, which upon release results in auto-refrigeration or cooling
 25 effect.

26 (19) "Oil refinery" means a facility used primarily for the refinement of petroleum
 27 products.

(20) "Qualified welding procedure" means a welding procedure that has passed tests required by the applicable ASME boiler, pressure vessel, or piping code.

(21) "Boiler external piping" means boiler piping as defined in ASME Section I, which shall conform to ASME B31.1 and ASME Section I.

(22) "Non-boiler external piping" means boiler piping and boiler proper connections as defined in ASME Section I and applicable figures, and shall conform to either ASME B31.1 or ASME B31.3, including steam, boiler feedwater, blowdown, vents and drains, and chemical injection piping outside the boiler boundary.

(23) "MAWP" means the maximum allowable working pressure for a boiler, pressure vessel, or piping system.

(24) "Owner facility" means any facility licensed pursuant to subsection (1) of Section 10 of this Act.

(25) "Owner's piping inspector" means any person licensed pursuant to subsection (2) of Section 10 of this Act.

(26) "Independent inspection agency" means a person or company licensed under subsection (3) of Section 10 of this Act who is retained by an owner facility to conduct inspections under subsection (1) of Section 10 of this Act.

(27) "Owner-user facility" means any facility that operates pressure vessels and is accredited as an owner-user inspection organization by the national board.

➔Section 2. KRS 236.020 is amended to read as follows:

- (1) In the Department of Housing, Buildings and Construction, Division of Plumbing, there shall be a Board of Boiler and Pressure Vessel Rules, which shall hereafter be referred to as the board, consisting of seven (7) members including the chief boiler inspector who shall serve as chairman. The other members shall be appointed to the board by the Governor~~;~~ ~~one (1) for a term of one (1) year, one (1) for a term of two (2) years, two (2) for a term of three (3) years, and two (2) for a term of four (4) years, or until their successors are appointed and qualified. At the expiration of their~~

1 ~~respective terms of office they, or their successors identifiable with the same~~
 2 ~~interest respectively as provided in this section, shall be appointed]~~ for terms of four
 3 (4) years each. The Governor may at any time remove any member of the board.
 4 Upon the death or incapacity of any member the Governor shall fill the vacancy for
 5 the remainder of the vacated term **and until a successor is appointed and qualified,**
 6 with a representative of the same interests with which his or her predecessor was
 7 identified. Of these six (6) appointed members, one (1) shall be a practical steam
 8 operating engineer of high pressure boilers, or any other representative of owners
 9 and users of high pressure boilers or pressure vessels within the state; one (1) shall
 10 be a representative of the boiler manufacturers or pressure vessel manufacturers
 11 within the state; one (1) shall be a representative of a boiler insurance company
 12 licensed to do business within the state; one (1) shall be a representative of the
 13 boilermakers within the state selected from a list of five (5) names submitted by the
 14 Kentucky State Building and Construction Trades Council; one (1) shall be a
 15 representative of pipe erecting concerns doing business within the state; and one (1)
 16 shall be a metallurgist, welder, or a person representing the welding industry. The
 17 board shall meet at least four (4) times each year at the Capitol or other place
 18 designated by the board. No approval, decision, or ruling of the board shall be
 19 effective unless supported by the vote of at least five (5) members thereof.

20 (2) The members of the board shall serve without salary and shall receive their actual
 21 necessary expenses, incurred while in the performance of their duties as members of
 22 the board, to be paid in the same manner as in the case of other state officers.

23 (3) The division shall provide such administrative support and assistance as may be
 24 necessary for the board to carry out its duties and responsibilities under this chapter.

25 ➔Section 3. KRS 236.030 is amended to read as follows:

26 **(1)** After reasonable notice and opportunity to be heard in accordance with KRS
 27 Chapter 13A, the commissioner of housing, buildings and construction, upon

advisement and subject to comment by the board under the requirements of KRS 198B.030(8) and (9) and 198B.040(11), shall, by administrative regulation, fix reasonable standards for the safe construction, installation, inspection, and repair of boilers, pressure vessels, and associated pressure piping in this state. Such administrative regulations shall be enforced by the Department of Housing, Buildings and Construction, Division of Plumbing.

(2) The department may adopt any other administrative regulation necessary to administer this chapter if the regulation has been subject to review and comment by the board under the requirements of KRS 198B.030(8) and (9) and 198B.040(11). No administrative regulations so approved by the board shall become effective except upon adoption by the department, in conformance with KRS Chapter 13A.

(3) The department shall furnish to the board proposed amendments to administrative regulations for the board's review and comment prior to their adoption by the department. The department shall not promulgate any administrative regulations related to this chapter without granting the board the opportunity to comment on the administrative regulation.

➔Section 4. KRS 236.040 is amended to read as follows:

- (1) No boiler or pressure vessel which fails to~~[does not]~~ conform to the rules and regulations formulated by the commissioner governing new construction and installation shall be installed and operated in this state~~[from the date upon which the first rules and regulations under this chapter pertaining to new construction and installation shall have become effective]~~.
- (2) Subject to exemptions established in this chapter, all new connecting piping subjected to pressure emanating from a power boiler, heating boiler, hot water supply boiler, or pressure vessel shall be considered part of the boiler or pressure vessel installation, subject to the same boiler or pressure vessel code requirements,

and shall be designed in accordance with the rules of ASME *piping codes B31.1, B31.3, B31.5, B31.9, or B31.12,*~~[power piping code ANSI 31.1]~~ or *their*~~[its]~~ subsequent revisions and ASME boiler and pressure vessel code Sections I, *III, IV, VIII (Division 1, 2, or 3), X, or subsequent revisions of each*~~[and VIII (division 1) and their subsequent revisions]~~. Inspection of such piping shall be performed by an inspector qualified under KRS 236.070,~~[or]~~ KRS 236.080, *or Section 10 of this Act.*

- (3) *Pressure vessels for human occupancy shall comply with subsection (2) of this section and ASME requirements for pressure vessels for human occupancy. Inspection of such piping shall be performed by a boiler inspector qualified under Sections 7, 8, and 10 of this Act*~~[All new connecting piping subjected to pressure emanating from a heating boiler shall be considered part of the heating boiler installation, subject to the same boiler code requirements and shall be designed in accordance with the rules of the ASME heating boiler code, Section 4 and its subsequent revisions and this chapter. Inspection of such piping shall be performed by a boiler and pressure vessel inspector].~~

➔Section 5. KRS 236.050 is amended to read as follows:

- (1) The maximum allowable working pressure of a boiler or pressure vessel carrying the ASME code symbol shall be determined by the applicable sections of the code under which it was constructed and stamped.
- (2) The maximum allowable working pressure of a boiler or pressure vessel which does not carry the ASME code symbol shall be computed in accordance with the *American Petroleum Institute 579/ASME FFS-1 (Fitness for Service) evaluation as adopted by the department*~~[ASME "Suggested Rules Governing Existing Installations", Section I appendix, Section IV appendix, and Section VIII appendix]~~ and the regulations adopted in accordance with KRS 236.030.
- (3) This chapter shall not be construed as in any way preventing the use or sale of a

boiler referred to in this section, provided it has been made to conform to the rules and regulations of the commissioner governing existing installations; and provided, further, it has not been found upon inspection to be in an unsafe condition.

→ Section 6. KRS 236.060 is amended to read as follows:

(1) *This chapter applies to all boilers, pressure vessels, and related piping in the Commonwealth unless statutorily exempted.*

(2) KRS 236.005 to 236.150 shall not apply to boilers or pressure vessels or related piping under federal control.

(3)~~(2)~~ KRS 236.005 to 236.150 shall not apply to the following~~[- boilers or related piping]~~:

(a) *Portable* boilers or pressure vessels located on *land dedicated to agricultural use, as defined in KRS 100.111*~~[farms]~~ and used solely for agricultural purposes;

(b) Boilers or pressure vessels located at any oil refineries;

(c) ~~[Boilers or pressure vessels located at any utility operating under a certificate issued pursuant to KRS 278.020, if the boilers or pressure vessels are inspected by a special boiler inspector under the provisions of KRS 236.110, except that the inspection interval provided for in KRS 236.110 shall be extended to eighteen (18) months;~~

~~(d)~~ Steam or vapor boilers used for heating purposes carrying a pressure of not more than fifteen (15) pounds per square inch gauge, and which are located in private residences;

(d)~~(e)~~ Hot water heating boilers carrying a pressure of not more than thirty (30) pounds per square inch gauge~~[- which are located in private residences]~~ or hot water *heaters*~~[supply boilers]~~ which are located in private residences;

(e)~~(f)~~ Any~~[- unfired]~~ pressure vessels used as containers for liquefied petroleum gases and subject to the jurisdiction of the Department of Housing,

Buildings and Construction under KRS Chapter 234;

~~(f)(g)~~ Pressure vessels used for transportation of compressed gases if constructed and operated in compliance with specifications and regulations of another state or federal authority;

~~(g)(h)~~ Pressure vessels containing air located on vehicles operating under the regulations of another state or federal authority;

~~(h)(i)~~ Pressure vessels having an internal or external operating~~[-at-a maximum]~~ pressure of fifteen (15) PSI or less;

~~(i)(j)~~ Single wall pressure vessels having an inside diameter, width, height, or cross-section diagonal not exceeding~~[-of]~~ six (6) inches;

~~(j)~~ Any combination unit having an internal or external pressure in each chamber not exceeding fifteen (15) PSI and differential pressure on the common element not exceeding fifteen (15) PSI;

(k) Pressure vessels with a nominal water containing capacity of one hundred twenty (120) gallons or less, to be used for domestic supply purposes, for containing water under pressure, including those containing air, the compression of which serves only as a cushion;

(l) Pressure vessels not exceeding the design pressure at the top of the vessel and with no limitation in size, not exceeding the following:

1. Vessels having an internal or external pressure of fifteen (15) PSI (100 kilopascals); or

2. Combination units having an internal or external pressure in each chamber of fifteen (15) PSI (100 kilopascals) and differential pressure on the common elements not exceeding fifteen (15) PSI (100 kilopascals);

~~(m)~~ Pressure vessels containing water heated by steam or other indirect means when none of the following are exceeded:

1. Heat input of two hundred thousand (200,000) BTU/Hr.;
2. Water temperature of two hundred ten (210) degrees Fahrenheit;
3. Water storage capacity of one hundred twenty (120) gallons;
- ~~(n)~~~~(m)~~ Coil type hot water boilers without a steam space and where no steam is generated within the confines of the unit but where water flashes into steam when released to atmospheric pressure by the operation of a manually operated nozzle, unless one (1) of the following is exceeded:

1. Three quarter (3/4) inch inside diameter tubing or pipe size with no drum or header attached;
2. Six (6) gallon water containing capacity;
3. Three hundred fifty (350) degrees Fahrenheit water temperature;

- ~~(o)~~~~(n)~~ Water heaters, hot water supply boilers, or hot water storage tanks which are directly fired with oil, gas, or electricity, when none of the following limitations are exceeded:

1. Heat input of two hundred thousand (200,000) BTU/Hr.;
2. A water temperature of two hundred ten (210) degrees Fahrenheit;
3. A water containing capacity of one hundred twenty (120) gallons;

- ~~(p)~~~~(o)~~ Pressure vessels which may be classified as:

1. Pressure containers which are integral parts of components of rotating or reciprocating mechanical devices such as pumps, compressors, turbines, generators, engines, and hydraulic or pneumatic cylinders where the primary design considerations, ~~or~~ stresses, or both are derived from the functional requirements of the device; or
2. Structures whose primary function is the transport of fluids from one location to another within a system of which it is an integral part, that is, piping system; or

- (q) Pressure vessels ASME "UM" stamped, registered with the national board,

and which do not exceed the following:

1. One and one-half (1-1/2) cubic feet in volume and six hundred (600)

PSI MAWP;

2. Three (3) cubic feet in volume and three hundred fifty (350) PSI

MAWP; or

3. Five (5) cubic feet in volume and two hundred fifty (250) PSI MAWP.

(4) This chapter shall apply only to piping associated with boilers and pressure vessels operating in the Commonwealth in the following applications and fluid services:

(a) All boiler external piping conforming to ASME B31.1;

(b) Non-boiler external piping including steam, boiler feedwater, blowdown, vents, drains, chemical injection outside the boiler boundary conforming to ASME B31.1 or B31.3;

(c) All building services piping conforming to ASME B31.9;

(d) All compressed air piping emanating from a pressure vessel conforming to ASME B31.1, B31.3, or B31.9;

(e) All hot oil piping conforming to ASME B31.1 or B31.3;

(f) All anhydrous ammonia piping conforming to ASME B31.3 or B31.5;

(g) All cryogenic service piping conforming to ASME B31.3 or B31.5;

(h) All hydrogen piping used for vehicle transportation fuel conforming to ASME B31.12;

(i) All piping associated with a pressure vessel for human occupancy conforming with ASME B31.1 or B31.3; and

(j) Refrigeration service piping in safety group A3, B1, B2, and B3 fluids as defined by ASME and conforming to ASME B31.5.

(5) Piping associated with boilers and pressure vessels exempted in subsection (2) of this section shall conform to the appropriate ASME piping code. The owner of

1 the piping shall assume all oversight and responsibilities as established in the
 2 appropriate ASME piping code

3 ~~[(3) The fees required by KRS 236.120(1) and 236.130 shall not apply to standard and~~
 4 ~~miniature antique and hobby boiler operated tractors and equipment used solely for~~
 5 ~~exhibition, if the boiler uses a fifty (50) pounds per square inch or less gauge].~~

6 ➔Section 7. KRS 236.070 is amended to read as follows:

7 The department shall employ boiler ~~and pressure vessel~~ inspectors who shall have had
 8 at the time of appointment not less than five (5) years practical experience in the
 9 construction, maintenance, repair, or operation of high pressure boilers and pressure
 10 vessels as a mechanical engineer, practical steam operating engineer, boilermaker,
 11 pressure vessel inspector or boiler inspector, and who shall have passed the examination
 12 provided for in KRS 236.090.

13 ➔Section 8. KRS 236.080 is amended to read as follows:

- 14 (1) In addition to the boiler inspectors authorized by KRS 236.070, the department
 15 shall, upon the request of any company authorized to insure against loss from
 16 explosion of boilers and pressure vessels in this state, issue to any boiler inspectors
 17 of said company commissions as special boiler inspectors, provided that each such
 18 special boiler inspector before receiving such commission, shall satisfactorily pass
 19 the examination provided for in KRS 236.090, or, in lieu of such examination, shall
 20 hold a commission or certificate of competency as an inspector of boilers and
 21 pressure vessels for a state that has a standard of examination substantially equal to
 22 that of this Commonwealth or a commission as an inspector of boilers and pressure
 23 vessels issued by the National Board of Boiler and Pressure Vessel Inspectors.
- 24 (2) Such special boiler inspectors shall receive no salary from, nor shall any of their
 25 expenses be paid by, the state and the continuance of a special inspector's
 26 commission shall be conditioned upon his or her continuing in the employ of an
 27 insurance company duly authorized as aforesaid and upon his or her maintenance of

1 the standards imposed by this chapter.

2 (3) Such special boiler inspectors shall inspect all boilers and pressure vessels insured
3 by their respective companies, and, when so inspected and reported as required, the
4 owners and users of such insured boilers and pressure vessels shall be exempt from
5 the payment to the state of the inspection fees as provided for in KRS 236.120 and
6 236.130.

7 (4) Each company employing such special boiler inspectors shall within thirty (30) days
8 following each certificate inspection made by such inspectors, file a report of such
9 inspection with the division upon appropriate forms prescribed by the division.
10 Other than the certificate inspection report, no reporting of other inspections shall
11 be required except when such inspections disclose that the boiler or pressure vessel
12 is in a dangerous condition.

13 ~~{(5) Boiler and pressure vessel inspectors, whether employees of the department or~~
14 ~~special inspectors, shall have free access, during reasonable hours, to any premises~~
15 ~~in the state where a boiler or pressure vessel is being constructed or is being~~
16 ~~installed, for the purpose of ascertaining whether such boiler or pressure vessel is~~
17 ~~constructed and installed or is being installed in accordance with the law, and any~~
18 ~~orders, rules, or regulations in existence at that time.}~~

19 ➔SECTION 9. A NEW SECTION OF KRS CHAPTER 236 IS CREATED TO
20 READ AS FOLLOWS:

21 (1) In addition to boiler inspectors authorized by Section 7 of this Act, the
22 department shall issue an owner-user inspector commission to any inspector
23 commissioned by a company operating a pressure vessel within the
24 Commonwealth provided that:

25 (a) The company has an established and regular inspection program;

26 (b) The company is listed as an accredited Owner-User Inspection Organization
27 in compliance with the National Board of Boiler and Pressure Vessel

Inspectors Accreditation of Owner-User Inspection Organizations;

(c) The inspection program, personnel, equipment and supervision meet the requirements established by the department after recommendation by the board; and

(d) 1. The owner-user inspector applicant has successfully passed the examination provided for in KRS 236.090; or

2. The owner-user inspector applicant holds a commission as an inspector of boilers and pressure vessels issued by the National Board of Boiler and Pressure Vessel Inspectors.

(2) A commission as an owner-user inspector shall be issued only if, in addition to meeting the requirements of this section, the inspector is continuously employed by the company for the purpose of making inspections of pressure vessels used, or to be used, by the company, not of pressure vessels to be resold.

(3) A licensed owner-user inspector is not authorized to inspect boilers within the Commonwealth.

(4) A licensed owner-user inspector may inspect all pressure vessels insured by the inspector's employing company. When the vessels are inspected and reported as required, the owners and users of insured pressure vessels shall be exempt from payment to the state of inspection fees as provided in KRS 236.130.

(5) Each company employing a licensed owner-user inspector shall, within thirty (30) days following each certificate of inspection, file a report of inspection with the department. Reports are to be submitted upon forms prescribed by the department.

(6) No reporting of inspections other than the certificate of inspection reports shall be required unless an inspection reveals that the pressure vessel is in a dangerous condition.

(7) A licensed owner-user inspector shall receive no salary from, nor shall any

expenses be paid by, the Commonwealth.

(8) Continuance of an owner-user inspector's commission shall be conditioned upon the inspector continuing employment for an owner-user company meeting requirements of subsection (1) of this section.

→ SECTION 10. A NEW SECTION OF KRS CHAPTER 236 IS CREATED TO READ AS FOLLOWS:

(1) An owner facility subject to piping inspection by the department under this chapter may apply for a license from the department to allow the facility to conduct its own site piping inspections, other than for boiler external piping, in lieu of an inspection by the department.

(a) No piping inspections shall be conducted under an owner facility license unless the owner's piping inspector is licensed pursuant to subsection (2) of this section, or the contracted independent inspection agency is licensed pursuant to subsection (3) of this section. The department shall be notified of the owner facility's retention of the owner's piping inspector or independent inspection agency.

(b) 1. The department shall develop and make available on the department's Web site an application for a license described in this subsection.

2. The application shall require the owner facility to:

a. List all owner's piping inspectors retained by the facility;

b. List all independent inspection agencies retained by the facility;

and

c. Provide evidence that the facility has employees who hold, or retains a contractor who holds, a license issued under Section 15 of this Act for the facility and the facility has general liability insurance through a company permitted to transact insurance in Kentucky.

1 3. The list of owner's piping inspectors and independent inspection
 2 agencies shall be updated and provided to the department within thirty
 3 (30) days of a change.

4 (c) The department shall issue or deny a license under this subsection within
 5 forty-five (45) days of receiving a complete application.

6 (d) With the application, the applicant shall submit a fee of one thousand
 7 dollars (\$1,000). If the application is denied by the department, the
 8 department shall refund five hundred dollars (\$500) of the application fee to
 9 the applicant.

10 (e) An owner facility license shall be issued for a period of two (2) years.

11 (f) To renew a license the applicant shall submit a completed renewal
 12 application no later than sixty (60) days prior to license expiration with a
 13 nonrefundable renewal fee of five hundred dollars (\$500).

14 (g) Prior to renewal, the department shall conduct an audit of piping at owner
 15 licensed facilities. The audit shall verify that the piping conforms to
 16 standards prescribed by the ASME adopted by the department. An owner
 17 facility license shall continue in effect until approved or denied by the
 18 department so long as a renewal application is submitted as required by
 19 paragraph (f) of this subsection.

20 (h) Each licensed owner facility shall maintain records of all piping
 21 inspections, including identification of the owner's piping inspector or
 22 independent inspection agency, for a period of five (5) years following the
 23 inspection. Records of inspections shall be made available to the department
 24 upon request.

25 (2) An owner's piping inspector shall be licensed by the department prior to
 26 conducting piping inspections, other than for boiler external piping.

27 (a) The department shall develop and make available on the department's Web

1 site an application for an owner's piping inspector license.

2 (b) The department shall issue or deny a license under this subsection upon
 3 review of a completed application demonstrating that the applicant meets
 4 the following criteria:

5 1. For inspections of piping repairs, the applicant is certified as defined
 6 under American Petroleum Institute Standard 570, Piping Inspection
 7 Code: Inspection, Repair, Alteration, and Rerating of In-Service
 8 Piping Systems; or

9 2. For all other inspections of piping, the applicant qualifies under
 10 owner inspection requirements pursuant to ASME piping code B31.1
 11 or B31.3, as applicable, or the applicant holds a commission from the
 12 National Board of Boiler and Pressure Vessel Inspectors.

13 (c) With the application, the applicant shall submit an initial nonrefundable
 14 license application fee of one hundred dollars (\$100), for a two (2) year
 15 license.

16 (d) The initial license fee may be prorated for not less than thirteen (13)
 17 months or more than thirty-six (36) months.

18 (e) An initial owner's piping inspector license shall expire on the final day of
 19 the applicant's birth month in the second year following the issue date.

20 (f) To renew a license, the applicant shall submit a completed renewal
 21 application and a nonrefundable renewal fee of fifty dollars (\$50) to the
 22 department.

23 (3) Any independent inspection agency that employs licensed owner's piping
 24 inspectors shall be licensed by the department as an independent inspection
 25 agency.

26 (a) The department shall develop and make available on the department's Web
 27 site an independent inspection agency license application.

(b) With the application, the applicant shall submit a fee of one thousand dollars (\$1,000), and a list of all owner's piping inspectors employed by the independent inspection agency. If the application is denied, five hundred dollars (\$500) shall be refunded to the applicant.

(c) The list of owner's piping inspectors employed by the independent inspection agency shall be updated and provided to the department within thirty (30) days of change.

(d) An independent inspection agency license shall be effective for a period of two (2) years following the date of issuance.

(e) To renew a license, the applicant shall submit a completed renewal application and a nonrefundable renewal fee of five hundred dollars (\$500).

(f) Each licensed independent inspection agency shall maintain a record of all piping inspections for a period of five (5) years following the inspection, including identification of the owner's piping inspectors. Records of inspections shall be made available to the department upon request.

(4) The licensing requirements of this section shall only apply to piping otherwise required to be inspected by a boiler inspector employed by the department pursuant to this chapter.

➔Section 11. KRS 236.100 is amended to read as follows:

- (1) Any boiler inspector's, ~~or~~ special inspector's, owner-user inspector's, or owner's piping inspector's appointment or commission may be suspended or revoked by the department, after due investigation and hearing thereon, for the incompetence or untrustworthiness of the holder thereof, or for willful falsification of any matter or statement contained in his or her application or in a report of any inspection made by him or her. Written notice of and an opportunity for a hearing on any suspension or revocation under this subsection shall be given by the department to the inspector, and in the case of a special boiler inspector, also to his or her employer in

1 accordance with the provisions of KRS Chapter 13B.

2 (2) A person whose appointment or commission has been suspended shall be entitled to
3 apply to the commissioner, after ninety (90) days from the date of the suspension,
4 for reinstatement of the appointment or commission.

5 (3) Any willful falsification of an application or inspection report shall constitute a
6 misdemeanor and shall subject the inspector or special inspector to the penalties
7 provided in KRS 236.990.

8 ➔Section 12. KRS 236.110 is amended to read as follows:

9 (1) Each boiler or pressure vessel used or proposed to be used within this state, except
10 boilers or pressure vessels exempt under KRS 236.060, shall be thoroughly
11 inspected as to their construction, installation, and condition as follows:

12 (a) Power boilers shall receive a certificate of inspection annually which shall be
13 an internal inspection where construction permits; otherwise it shall be as
14 complete an inspection as possible. Such boilers shall also be externally
15 inspected while under pressure if possible.

16 (b) Low pressure steam or vapor heating boilers, hot water heating boilers, and
17 hot water supply boilers shall receive a certificate of inspection biennially;
18 said inspection shall include internal inspection where construction permits.
19 External inspections are required where construction does not permit internal
20 inspection.

21 (c) Pressure vessels shall be inspected at time of installation to ascertain that they
22 are in conformance with KRS 236.040. Subsequent reinspections, if any, shall
23 be set by regulation of the department.

24 (d) A grace period of two (2) months beyond the periods specified in paragraphs
25 (a), (b), and (c) of this subsection may elapse between inspections.

26 (e) The department may at its discretion permit longer periods between
27 inspections.

- (f) All new boiler or pressure vessel installations to be used within this state, excepting boilers or pressure vessels exempted under KRS 236.060, shall be inspected during the installation period to ascertain that all pressure piping conforms to the requirements of KRS 236.040. A certificate of inspection~~[An inspection certificate]~~ may not be issued on any new installation until these requirements are fulfilled.
- (g) It shall be the responsibility of the installing contractor to request the above inspection by notifying the boiler inspection section~~[of the division]~~ that the installation is ready for such inspection. Notification~~[This]~~ must be accomplished prior to covering of any welded or mechanical joints on pressure piping or valves by insulation, paint, or structural materials. The contractor shall provide ready access for the inspector to all parts of the piping system.
- (h) Inspection of pressure piping applies only to new boiler,~~[or]~~ pressure vessel, or new pressure piping system installations, or reinstallations, or installation of secondhand boilers (as defined under "Boiler Rules and Regulations"). No annual or biennial reinspection is required once the system has been approved.
- (i) "Existing installations," as applied to inspection of piping systems is defined as any boiler and piping system completed and approved for operation prior to July 1, 1970, or pressure vessels and associated piping systems completed and approved for operation prior to July 15, 1980. Such existing installations will not be subject to the foregoing piping inspection unless adjudged patently unsafe for operation by a boiler inspector holding a commission issued by the National Board of Boiler and Pressure Vessel Inspectors, or by an owner's piping inspector, when authorized. If an existing installation is so adjudged the owner or user will be granted full rights of appeal as set forth under KRS 236.150.

1 (j) At such time as an existing installation undergoes extensive overhaul or more
 2 than fifty (50) linear feet of pressure piping requires renewal or is added to the
 3 existing system, the entire system of piping carrying pressure emanating from
 4 the boilers shall be subject to inspection and will be brought up to standards
 5 required by KRS 236.040.

6 (k) The installing contractor of a piping system carrying pressure emanating from
 7 a boiler or pressure vessel subject to inspection under provisions of this
 8 chapter ~~[KRS 236.050 to 236.150]~~, shall pay to the department, upon
 9 completion of inspection, fees in accordance with a schedule set up by the
 10 board and approved by the commissioner.

11 (l) Operation of a pressure piping system in conjunction with a boiler or pressure
 12 vessel, either of which has not been inspected and approved as set forth above,
 13 shall be subject to fines and penalties as set forth in KRS 236.990.

14 (m) For any boiler or pressure vessel used by a utility to generate power, and
 15 operating under a certificate issued pursuant to KRS 278.020, if the boiler
 16 or pressure vessel is inspected by a special boiler inspector pursuant to this
 17 section, the inspection interval shall be extended to eighteen (18) months.

18 (2) The inspections required in this section shall be made by a boiler ~~and pressure~~
 19 ~~vessel~~ inspector or by a special boiler inspector except that all new installations
 20 shall be inspected by a boiler inspector employed by the department. However, an
 21 owner's piping inspector may inspect new, repaired, and replaced ASME B31.3
 22 process piping.

23 (3) If at any time a hydrostatic, pneumatic, or any other nondestructive test shall be
 24 deemed necessary for ascertaining acceptability of a boiler, pressure vessel, or
 25 associated piping, the same shall be made by the contractor or owner-user, whoever
 26 is responsible for the condition, and be witnessed by a boiler inspector, special
 27 boiler inspector, or owner piping inspector in authorized locations ~~or special~~

1 ~~boiler inspector~~.

2 (4) All boilers to be installed in this state after July 1, 1970, and all pressure vessels
3 installed in this state after July 15, 1980, shall be inspected during construction as
4 required by the applicable rules and regulations of the department by a boiler ~~and~~
5 ~~pressure vessel~~ inspector authorized to inspect boilers and pressure vessels in this
6 state, or, if constructed outside of the state, by an inspector holding a commission
7 from the national board as an inspector of boilers and pressure vessels.

8 (5) No person shall willfully falsify any statement designed to secure the issuance,
9 renewal or reinstatement of a certificate of inspection. Violation of this subsection
10 shall subject such a person to the penalties stated in KRS 236.990.

11 ➔Section 13. KRS 236.120 is amended to read as follows:

12 (1) If, upon inspection, a boiler or pressure vessel is found to comply with the
13 administrative regulations of the department, the owner, user, or insurance company
14 of it shall pay to the department the sum of fifteen dollars (\$15). When the
15 inspection is made by a special inspector, the inspector shall attach the certificate
16 fee to his or her report. The chief boiler inspector, or his or her duly authorized
17 representative, shall issue to the owner or user a certificate of inspection for the
18 boiler or pressure vessel bearing the date of inspection and specifying the maximum
19 pressure under which the boiler or pressure vessel may be operated. An inspection
20 certificate shall be valid for not more than fourteen (14) months from its date in the
21 case of power boilers, and twenty-six (26) months in the case of low pressure steam
22 or vapor heating boilers, hot water heating boilers, or hot water supply boilers. The
23 most recently issued certificate of inspection~~[Certificates]~~ shall be posted~~[under~~
24 ~~glass]~~ in the room containing the boiler inspected or, in the case of a portable boiler,
25 shall be kept in a tool box accompanying the boiler. The most recently issued
26 certificate of inspection for each pressure vessel shall be kept in the owner's files.

27 (2) No certificate of inspection issued for an insured boiler, inspected by a special

1 inspector, shall be valid after the insurance on the boiler for which it was issued
 2 terminates. Boilers shall be insured by a company duly authorized by this state to
 3 carry the insurance.

4 (3) The commissioner or his or her authorized representative may at any time suspend a
 5 certificate of inspection if, in his or her opinion, the boiler or pressure vessel for
 6 which it was issued cannot be operated without menace to the public safety, or if the
 7 boiler or pressure vessel is found not in compliance with this chapter or the
 8 administrative regulations of the department. A special boiler inspector shall have
 9 corresponding powers with respect to suspending certificates of inspection for
 10 boilers or pressure vessels insured by the company employing him or her. The
 11 suspension of a certificate of inspection shall continue in effect until the boiler or
 12 pressure vessel conforms to this chapter and administrative regulations of the board,
 13 and until the inspection certificate is reinstated.

14 (4) A suspended certificate of inspection shall be reissued on the recommendation of
 15 the boiler inspector or special boiler inspector who first caused the suspension or at
 16 the discretion of the chief boiler inspector.

17 ➔Section 14. KRS 236.150 is amended to read as follows:

18 (1) Any person aggrieved by an order or act of a boiler~~[and pressure vessel]~~ inspector,
 19 under this chapter, may, within fifteen (15) days of notice thereof, appeal from the
 20 order or act to the commissioner who shall schedule and conduct an administrative
 21 hearing in accordance with KRS Chapter 13B.

22 (2) Any person aggrieved by a final order of the commissioner may file a petition in the
 23 Franklin Circuit Court for judicial review in accordance with KRS Chapter 13B.

24 ➔Section 15. KRS 236.210 is amended to read as follows:

25 (1) No person shall engage in the business of installing, erecting, or repairing boilers or
 26 pressure vessels unless he or she first obtains a license from the commissioner on
 27 recommendation of the board.

1 (2) Each person, firm or corporation must pass an examination prepared by the board
2 and administered by the department.

3 (3) A license shall be issued by the commissioner or the chief boiler inspector upon
4 recommendation of the board and payment of a reasonable fee not to exceed the
5 cost of examination and other expenses involved as established by the
6 commissioner upon advice of the board pursuant to KRS Chapter 13A.

7 (4) The license shall be renewable annually, not later than the first of the month
8 following the expiration date, upon payment of a reasonable fee not to exceed the
9 costs involved in such renewal as established by the commissioner upon advice of
10 the board pursuant to KRS Chapter 13A.

11 (5) All individuals in the employ of a licensee shall not be required to be licensed.

12 ➔Section 16. KRS 236.240 is amended to read as follows:

13 (1) No person shall install, erect or make~~[-major]~~ repairs affecting the strength of a
14 boiler or pressure vessel without first securing a permit from the department.
15 Permits shall be issued only to persons licensed under KRS 236.210 to 236.260.

16 (2) No work shall be performed except by or under the supervision of such licensed
17 person. The permit fees shall be set by the board.

18 (3) The permit fees will include one (1) interim inspection and one (1) final inspection
19 for issuance of a boiler or pressure vessel certificate of inspection.

20 (4) Special inspections and more than two (2) inspections requested by the licensee for
21 each permit will be charged fees in accordance with KRS 236.130.

22 ➔Section 17. KRS 236.250 is amended to read as follows:

23 (1) No person shall make~~[-major]~~ repairs affecting the strength or safety of boilers or
24 pressure vessels without first securing a permit from the department unless repairs
25 have been authorized by a boiler inspector or special boiler inspector pending
26 issuance of the permit or unless such repairs are emergency repairs authorized by
27 the department, a special boiler inspector or a boiler inspector pending issuance of

1 the permit. No permit will be required for emergency items not affecting the
 2 strength of the boiler or pressure vessel, when performed by qualified
 3 welders~~[persons]~~ regularly employed by firms utilizing properly qualified welding
 4 procedures. Permits shall only be issued to persons licensed under the provisions of
 5 this chapter. A permit fee shall be paid directly to the department, and shall
 6 accompany the repair application.

7 (2) Payment of permit to repair fees shall be required from operating companies
 8 performing pressure vessel repairs in accordance with the National Board of
 9 Boiler and Pressure Vessel Inspectors inspection code and utilizing properly
 10 qualified welding procedures and regularly employing qualified welders to weld
 11 on boilers owned and operated by such firm~~[of permit to repair fees will not be~~
 12 ~~required from firms utilizing properly qualified welding procedures and regularly~~
 13 ~~employing qualified welders, certified by and registered with the department, to~~
 14 ~~weld on boilers owned and operated by such firms].~~

15 (3) For emergency repairs authorized by a boiler inspector or special boiler
 16 inspector, a repair permit shall be obtained and filed with the department within
 17 thirty (30) days of repair completion.

18 ➔Section 18. KRS 236.260 is amended to read as follows:

19 The commissioner, the chief boiler inspector, any boiler inspector, or any special boiler
 20 ~~[or any deputy]~~ inspector shall have free access, during reasonable hours, to any premises
 21 in the state where a boiler or pressure vessel is being constructed, operated, installed or
 22 repaired for the purpose of ascertaining whether the work being performed is in
 23 accordance with the provisions of KRS Chapter 236 or any orders or regulations made
 24 thereunder.

25 ➔Section 19. KRS 236.990 is amended to read as follows:

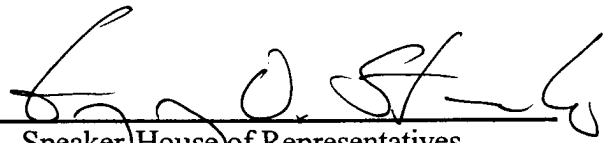
26 (1) It shall be unlawful for any person, firm, partnership, or corporation to operate in
 27 this state a boiler or pressure vessel without a valid certificate of inspection. The

operation of a boiler or pressure vessel without a valid certificate, or at a pressure exceeding that specified in an inspection certificate, shall constitute a Class B misdemeanor on the part of the owner, user, or operator. Each day of unlawful operation shall constitute a separate offense.

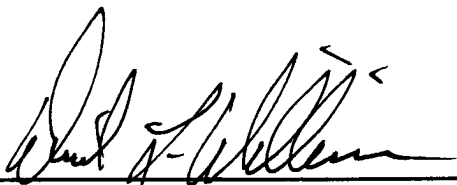
(2) Any person who violates the provisions of KRS 236.040(1); 236.080(4); 236.110(1), (4) and (5); 236.210(1); 236.220(1); 236.240(1) and (2); 236.250(1); or any proper order or administrative regulation made or promulgated thereunder; or who hinders or obstructs an authorized inspector in the performance of his or her duties under this chapter, shall be subject to the penalties in subsection (1) above.

(3) Any person who willfully violates any provision of this chapter, or any administrative regulation, emergency order,~~[-or]~~ order of the state fire marshal, order of~~[-or]~~ an authorized deputy state fire marshal, order of~~[-or]~~ the chief boiler inspector, or order of any authorized boiler~~[-or pressure vessel]~~ inspector, promulgated or made pursuant to this chapter, shall be subject to suspension or revocation of any appointment, commission, certification, registration, license, or permit made or issued by the department and held by that person, in accordance with the procedures specified in KRS 236.220, or in lieu of a suspension or revocation, shall be subject to an administrative fine of not less than ten dollars (\$10) and not exceeding five hundred dollars (\$500) after notice and hearing by the board in accordance with KRS 236.220. Each day these violations exist shall, in the discretion of the board, be considered as a separate violation.


(4) As an aid to enforcement of the provisions of this chapter, or of any administrative regulation or order relating thereto, the department or chief boiler inspector~~[-state fire marshal or his or her authorized deputy or employee]~~ may take any administrative action or bring any authorized legal action~~[-in the manner authorized in KRS Chapter 227 that is]~~ designed to prevent or correct any condition constituting or threatening to constitute a violation of any provision of this chapter.



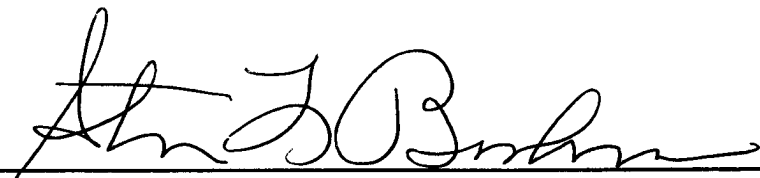
Speaker House of Representatives



President of Senate

Attest: 

Chief Clerk of House of Representatives

Approved 

Governor

Date 3-28-12